



SOUTH CENTRAL REGION

Blaine, Camas, Cassia, Gooding, Jerome, Lincoln, Minidoka & Twin Falls counties

ECONOMIC OVERVIEW

October reflected the labor stability typical for the fall. Crops are in and weather is slowing outside work like landscaping and construction while retailers are assessing their needs for the holiday season before actually ramping up. The harvest and the approach of the holiday season boosted jobs in transportation and warehousing by 11.3 percent from September. Wholesale trade was up half a point and 7 percent from September 2006. With the continued swell of population and industrial diversification, seasonal trends will likely flatten out in south central Idaho although never disappear. The seasonally adjusted unemployment rate for the Twin Falls-Jerome micropolitan statistical area increased slightly from 1.9 percent to 2 percent. This is a full point below October 2006 and the result of many economic mini-booms including Jayco's continued development, the escalation of health care services in Twin Falls, the growth of small business in Twin Falls and Jerome and the start-up of numerous multimillion-dollar commercial construction projects in the area.

A tight labor pool continues to be an issue in the region, but it is not alone. South Central Idaho Table 1 following this article on page 18 references the other states in the nation and their unemployment rates from lowest to highest. Idaho has had the lowest unemployment rate in the nation for the last four months. Part of this can be attributed to the population shift as Americans age and leave their full-time jobs. South Central Idaho Table 2 breaks down south central Idaho's population by age and shows the changes that can be expected in the 10-year period from 2006 to 2016. People 55 and older, the vanguard of the retiring baby boomers, increase 63 percent

while the number of individuals 54 and under actually declines 8.3 percent. Kathleen Casey-Kirschling, generally recognized as the nation's first baby boomer, was born in Philadelphia on Jan. 1, 1946, at 12:00:01 a.m. Casey-Kirschling applied for Social Security benefits on Oct. 15 this year, signaling the start of an expected avalanche of applications from the post-World War II generation. The former teacher from New Jersey applied for benefits over the Internet at an event attended by Social Security Commissioner Michael Astrue.

NATIONAL UPDATES

October was National Disability Employment Month and a time when information was distributed regarding this untapped pool of labor including the following list.

- One out of eight working-age Idahoans have some type of disability but only 40 percent are employed.
- Most workers with disabilities require no special accommodation.
- Studies show that two-thirds of the workers requiring special accommodations require an investment of less than \$500 by the employer.
- There are approximately 70,000 unemployed working-age Idahoans with disabilities and many can work but face challenges in finding jobs.
- The Idaho Department of Labor has secured a \$1.1 million grant to provide services to individuals with disabilities. Disability Program Navigators are stationed at local offices across the state including the Magic Valley local office. Agencies to contact regarding employment of individuals with disabilities include the Idaho Industrial Commission, the state Division of Vocational Rehabilitation and the Idaho Department of Labor.

STATE UPDATES

- Governor C.L. "Butch" Otter wants to pay farmers in the Thousand Springs area to fallow their ground but for shorter periods than those required under the federal Conservation Reserve Enhancement Program currently used by many land owners across the state. The initiative is still being designed but could involve a three-year pilot program to see if this eases the water shortage pressuring eastern and central Idaho that has led to the water calls by senior water rights users. This year, groundwater users negotiated a deal to avoid curtailment of their water rights,

South Central Idaho Table 2: Changes in Age Ranges in South Central Idaho from 2006 to 2016

Age Range	% Change from 2006 to 2016
24 and Under	-8.80%
25-44	7.40%
45-54	-6.90%
55-64	33.30%
65 and Over	29.70%

Source: Economic Modeling Specialist Inc., 9/2007

and attempts have been made to recharge the aquifer after irrigation had been completed.

BLAINE COUNTY

- A 40-year extension of Sun Valley Co.'s operating permit for Bald Mountain has been approved. The U.S. Forest Service also approved additions to the ski area that include a gondola and more snowmaking equipment. Forest Service officials say the basic permit that takes effect this month is not open for appeal, but there is a 45-day appeal process for the additions to the mountain. Part of the ski area is on land administered by the Bureau of Land Management. That agency has not yet responded to Sun Valley Co.'s request for the ski area additions. Jack Sibbach, director of sales for the company, says the gondola will also run in the summer and be used to take people up the mountain for weddings, conventions and to a restaurant at Roundhouse day lodge.
- The lack of early snow had its effect on the Thanksgiving season with only a portion of the Sun Valley resort opening on Nov. 24. Over 1,280 skiers and snowboarders enjoyed the combination of sun and manmade snow.
- Hailey voters approved passage of a bill Nov. 6 that would allow the industrial use of hemp, the medical use of marijuana and lowering the law enforcement priority for marijuana possession. However, the city council is not moving on any of these initiatives until further word comes from the Idaho Attorney General. Concerns are rampant among local government and the citizens. This local election issue generated national media interest.

TWIN FALLS COUNTY

- Cosmic Jolt, a trendy coffee shop in Buhl that has been operating for over 10 years was recently purchased by a former Colorado resident. Becky Hagerott bought the business from Trudy Jackson and is extending the services to include catering, a breakfast menu, a punch card program, happy hour with half-price drinks and ceramic coffee mugs personalized with customers' names. Cosmic Jolt's name and fun atmosphere will continue to enhance Buhl's downtown core.
- A wind generation farm may soon be in the making when Sierra Pacific Resources and Renewable Energy Systems Americas Inc. join forces. The \$400 million project would be based on 9,000 acres of federal, state and private ground north of Jackpot, Nev., and mostly in Idaho. The facility would use state-of-the-art, large-scale wind turbines to generate 200 megawatts of electricity sufficient to serve approximately 65,000 households. The project is contingent on an environmental impact statement that should be completed in early 2008. The electricity would be used in western and southern Nevada. The site is considered favorable due to the reliable wind resource, the gentle terrain for construction access and the proximity of a transmission line. Germany has the

largest investment in wind power, generating 20,622 megawatts at the end of 2006. The United States and Spain are neck and neck at 11,699 and 11,615 megawatts, respectively. Other countries dabbling in this energy source are Spain, Denmark, India, Australia, New Zealand, Canada, South Africa and Japan. The states with the highest installation of wind turbines are Texas, California, Iowa and Minnesota, but construction is occurring in every state, increasing wind power in the nation's future energy mix.



DANISH WIND TURBINES NEAR COPENHAGEN. The large and slow turning turbines of this offshore wind farm near Copenhagen take advantage of the area's moderate yet constant breezes. While the wind at this location is not strong it is very consistent, with the turbines generating substantial power over 97 percent of the time.

- Construction of the Church of Jesus Christ of Latter-day Saints temple in Twin Falls was completed two months late in November at an additional cost of \$750,000. The total cost for the temple was just under \$3 million. In addition, there is a new 1,000-home subdivision, sewage pipes were expanded and new lines were added and an important north-south artery was widened from two lanes to four lanes. Landscaping is being completed as weather permits. This was a joint venture between the city, developers, the church and EHM Engineers.
- Massage by Stacie is a new business that opened in Twin Falls offering deep tissue massage, Swedish massage, Raindrop Technique and Healing Stone Massage. Stacie Myers attended the Twin Falls Institute of Holistic Studies and has been providing massage services in Burley for the last four years.
- A new company, Cinematrixx, has opened in downtown Twin Falls, specializing in home theatre installation, satellite television and Internet installation as well as home and business security systems.

MINI-CASSIA AREA

- Space is becoming increasingly tight around the Boise Cascade plant, known locally as the "box plant," with another company announcing its intention to build a facility southwest of Burley. Packaging Specialties Inc., based in Arkansas, will employ approximately 25 employees at around \$13 an hour. The company hopes to build a 20,000-square-foot building and begin operations next spring. It expects to expand beyond its three initial presses by 2009. Burley's location near the company's growing customer base in California, Arizona, Utah, Nevada, Ore-

gon, Canada and Mexico was a selling point but not the only consideration. The company is also excited about the rural atmosphere, strong work ethic and trainable labor force. The choice was narrowed down to two other states when Packaging Specialties decided on Burley. The company held a job fair at the Idaho Department of Labor Mini-Cassia office in early December.

- NAPA Auto Parts expanded its original facility in Burley to include a larger sales area and parking lot. Brian and Debra Barlow have owned the business since 2001 and decided to enlarge the footprint to take over the former Snake River Computer Store, adding 2,800 square feet.
- American Graffiti Embroidery and Screen Printing recently held a ribbon cutting in celebration of its grand opening in Heyburn. The company screen prints banners, decals, window stickers, magnetic signs and promotional items.
- The heated debate over confined animal feeding operations continues in Cassia County. One of the new players, High Desert Milk, is banking on the area's high milk production to guarantee 64 million pounds of milk powder annually. Construction should be completed by next April, but the co-op is concerned about growth, which will require more milk production. General Manager Karl Nelson has stressed High Desert's commitment to good stewardship, stating that the plant does not want more

cows than would be good for the county. But he says everyone needs to work together to figure out where the equilibrium is. Cassia County has been advised it cannot call another moratorium on large animal operations because state law prohibits more than one emergency ordinance per year. However, the county is looking closely at ordinances governing waste management and permanently overhauling existing rules and exemptions.

- Pacific Ethanol held a job fair in October at the Mini-Cassia Department of Labor office and was inundated by eager job applicants. Over 300 applications were completed for a wide range of jobs including production operators, electricians, maintenance mechanics, lab techs and commodity operators, who need a variety of skills from running forklifts to handling computer operations. Wages range between \$10 and \$13 an hour. Excavation and construction of the rail line and plant is under way near the Boise Cascade factory. Operations are expected to start the first half of next year.

See page 33 for the south central Idaho labor force and nonfarm jobs data table for October 2007.

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South Central Idaho Table 1: State Unemployment Rates, Current and Historical, Seasonally Adjusted *(continued on page 19)*

Rank	State	Sep 2007	Historical High		Historical Low	
		Rate	Date	Rate	Date	Rate
1	Idaho	2.3	Feb 1983	9.4	Sep 2007	2.3
2	Hawaii	2.6	Mar 1976	10.2	Dec 2006	2
3	Utah	2.7	Mar 1983	9.7	Feb 2007	2.3
4	Montana	2.9	May 1983	8.7	Mar 2007	2
5	Virginia	2.9	Jan 1983	7.8	Jan 2001	2.2
6	Delaware	3	Jan 1977	8.2	Oct 1988	2.9
7	Nebraska	3.1	Feb 1983	6.8	Feb 1998	2.2
8	South Dakota	3.1	Oct 1982	5.9	Mar 2000	2.4
9	Wyoming	3.1	May 1983	10.1	Feb 1979	1.9
10	Arizona	3.3	Feb 1983	11.5	Sep 2007	3.3
11	New Mexico	3.4	Apr 1983	9.9	Jun 2007	3.2
12	North Dakota	3.4	Mar 1983	6.9	Jan 1998	2.5
13	New Hampshire	3.5	Jun 1992	7.7	Apr 1987	1.9
14	Alabama	3.7	Dec 1982	14.4	Apr 2007	3.3
15	Colorado	3.9	Nov 1982	9.1	Jan 2001	2.5
16	Iowa	3.9	May 1983	8.5	Jan 2000	2.6
17	Maryland	3.9	Aug 1982	8.3	Mar 2000	3.3

(continued on page 19)

South Central Idaho Table 1 (continued from page 18): State Unemployment Rates, Current and Historical, Seasonally Adjusted

Rank	State	Sep 2007	Historical High		Historical Low	
		Rate	Date	Rate	Date	Rate
18	Florida	4	Mar 1976	9.7	Oct 2006	3.2
19	Vermont	4.2	Jun 1976	9	Mar 2000	2.2
20	New Jersey	4.3	Feb 1977	10.6	Jun 2000	3.5
21	Oklahoma	4.3	Aug 1986	9.4	Jan. 2001	2.7
22	Texas	4.3	Oct 1986	9.3	June 2007	4.1
23	Louisiana	4.4	Sep 1986	12.9	July 2006	3.3
24	Massachusetts	4.4	Jan 1976	10.9	Dec 2000	2.7
25	Connecticut	4.5	Jan 1976	10	Nov 2000	2.1
26	Georgia	4.5	Jan 1983	8.3	Dec 2000	3.4
27	Indiana	4.5	Nov 1982	12.8	Apr 1999	2.6
28	Kansas	4.5	Sep 1982	7.4	Oct 1978	2.9
29	Pennsylvania	4.5	Mar 1983	12.9	Mar 2007	3.8
30	New York	4.6	Jul 1976	10.5	Mar 2007	4
31	Tennessee	4.7	Dec 1982	12.4	Mar 2000	3.8
32	Maine	4.8	Mar 1977	9	Jan 2001	3
33	Washington	4.8	Nov 1982	12.2	Apr 2007	4.4
34	West Virginia	4.8	Mar 1983	18.2	Jan 2007	4
35	Minnesota	4.9	Nov 1982	9	Apr 1999	2.5
36	North Carolina	4.9	Feb 1983	10.2	Apr 1999	3.1
37	Rhode Island	4.9	Nov 1982	9.7	Jul 1988	2.9
38	Illinois	5.1	Feb 1983	12.9	Nov 2006	4
39	Nevada	5.1	Dec 1982	10.7	May 2000	4.1
40	Wisconsin	5.2	Jan 1983	11.8	Apr 1999	2.9
41	Missouri	5.3	Apr 1983	10.5	Jan 2000	2.6
42	Oregon	5.3	Nov 1982	12.1	Apr 1995	4.7
43	California	5.6	Feb 1983	11	Nov 2006	4.7
44	Arkansas	5.7	Mar 1983	10.2	Sep 2000	4.1
45	District of Columbia	5.7	Mar 1983	11.4	Dec 1988	4.8
46	South Carolina	5.7	Jan 1983	11.4	Mar 1998	3.1
47	Ohio	5.9	Jan 1983	13.8	Mar 2001	3.9
48	Kentucky	6.1	Dec 1982	12.1	Mar 2000	4
49	Alaska	6.3	Jul 1986	11.5	Apr 2007	5.8
50	Mississippi	6.4	May 1983	13.7	Jan 2001	4.9
51	Michigan	7.5	Nov 1982	16.9	Mar 2000	3.2

Source: Bureau of Labor Statistics, US Department of Labor

South Central Idaho Data—October 2007

Twin Falls-Jerome MicSA Labor Force & Employment — Twin Falls and Jerome counties

	Oct 2007*	Sep 2007	Oct 2006	<u>% Change From</u>	
				Last Month	Last Year
INDIVIDUALS BY PLACE OF RESIDENCE					
<i>Seasonally Adjusted</i>					
Civilian Labor Force	48,900	49,960	49,530	-2.1	-1.3
Unemployment	990	940	1,480	5.3	-33.1
% of Labor Force Unemployed	2.0	1.9	3.0		
Total Employment	47,910	49,020	48,050	-2.3	-0.3
<i>Unadjusted</i>					
Civilian Labor Force	49,720	49,980	49,850	-0.5	-0.3
Unemployment	770	690	1,160	11.6	-33.6
% of Labor Force Unemployed	1.6	1.4	2.3		
Total Employment	48,950	49,290	48,690	-0.7	0.5
JOBS BY PLACE OF WORK					
Nonfarm Payroll Jobs**	41,380	41,850	39,350	-1.1	5.2
<i>Goods-Providing Industries</i>	7,890	8,290	7,070	-4.8	11.6
Natural Resources & Mining	30	30	30	0.0	0.0
Construction	2,550	2,610	2,410	-2.3	5.8
Manufacturing	5,310	5,650	4,630	-6.0	14.7
Food Manufacturing	3,070	3,370	2,560	-8.9	19.9
Other Manufacturing	2,240	2,280	2,070	-1.8	8.2
<i>Service-Providing Industries</i>	33,490	33,560	32,280	-0.2	3.7
Trade, Transportation & Utilities	10,690	10,280	9,990	4.0	7.0
Wholesale Trade	1,990	1,980	1,890	0.5	5.3
Retail Trade	6,190	6,030	5,850	2.7	5.8
Utilities	140	140	150	0.0	-6.7
Transportation & Warehousing	2,370	2,130	2,100	11.3	12.9
Information	650	650	640	0.0	1.6
Financial Activities	1,690	1,680	1,720	0.6	-1.7
Professional & Business Services	4,720	5,160	4,790	-8.5	-1.5
Educational & Health Services	5,390	5,360	5,080	0.6	6.1
Leisure & Hospitality	3,120	3,320	3,020	-6.0	3.3
Other Services	1,470	1,490	1,430	-1.3	2.8
Government Education	3,400	3,200	3,250	6.3	4.6
Government Administration	2,360	2,420	2,360	-2.5	0.0

*Preliminary Estimate

**Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month